



## COMMONWEALTH of VIRGINIA

Jennifer L. Mitchell  
Director

Virginia Department of Rail and Public Transportation  
600 E. Main Street, Suite 2102  
Richmond, VA 23219

Ph: 804-786-4440  
Fax: 804-225-3752  
Virginia Relay Center  
800-828-1120 (TDD)

November 3, 2021

Mr. Yon Lambert, Director of Transportation and Environmental Services  
City of Alexandria - Department of Transportation and Environmental Services  
301 King Street  
Alexandria, Va. 22314

Dear Mr. Lambert,

The attached report represents the formal conclusion to the DRPT compliance review that was undertaken at the City of Alexandria - Department of Transportation and Environmental Services (T&ES) for the period covering FY2016 to FY2019. We would like to thank the management and staff at T&ES for their assistance during this compliance review.

As the Commonwealth continues to face significant budget issues, more scrutiny is cast upon the results of the Commonwealth's investment in public transportation. Our compliance review program is part of an integrated DRPT process to ensure that this scrutiny is fully satisfied and that the unmet financial needs of public transportation in Virginia receive strong consideration for further funding. The compliance review tests adherence to the various agreements and policies and procedures that govern the receipt of DRPT controlled funding. Additionally, the review is designed to ensure, if applicable, that T&ES has properly implemented corrective action for any findings related to previous DRPT Compliance Reviews.

With respect to the detailed findings contained in this report, you should have been briefed by our review team on these issues and the recommendations to address the noted items. If you have any questions regarding this report or the compliance review process, please do not hesitate to contact me or any of my staff.

Sincerely,

A handwritten signature in black ink, appearing to read "Tanyea J. Darrisaw".

Tanyea J. Darrisaw  
Chief Financial Officer

Department of Rail and Public Transportation

CITY OF ALEXANDRIA – DEPARTMENT OF  
TRANSPORTATION AND ENVIRONMENTAL SERVICES  
ALEXANDRIA, VIRGINIA

COMPLIANCE REVIEW FOR THE PERIOD JULY 1, 2015  
THROUGH JUNE 30, 2019



## **OBJECTIVE**

The objective of the DRPT compliance review is to determine whether the City of Alexandria - Department of Transportation and Environmental Services (T&ES) has materially complied with the various agreements and policies and procedures that govern the receipt of DRPT-controlled funding and to ensure, if applicable, that T&ES has properly implemented the Corrective Action Plan that they submitted as a result of the findings related to their third DRPT Compliance Review. It is the responsibility of the management of T&ES to ensure adherence to the various agreements and policies and procedures that govern the use of funds received from DRPT.

## **SCOPE**

DRPT performed a compliance review of grant payments made to T&ES between July 1, 2015 and June 30, 2019. We reviewed 23 of 84 payments made to T&ES during this time frame. See Appendix A for a detailed list of payments reviewed. These payments included Federal Highway Administration (FHWA) Regional Surface Transportation Program (RSTP) and Congestion Mitigation and Air Quality (CMAQ) funding as well as state funding for RSTP, CMAQ, and Transportation Demand Management (TDM) Operating projects. A review of transit vehicles was not performed during this review since the City of Alexandria – T&ES contracts out the operation of their transit service (DASH) to an outside vendor and DRPT performed a separate compliance review at DASH.

Our review was more limited than would be necessary to provide assurance on internal controls or to provide an opinion on overall compliance with laws and regulations. Due to inherent limitations in internal control and the limited basis of our test work, other errors, irregularities, or instances of noncompliance may have occurred and not been detected by our review. Additionally, projecting the results of this review is subject to the risk that the controls may become inadequate because of changes in conditions or that the effectiveness of the design and operation of controls may deteriorate.

## **CONCLUSION**

We found that T&ES materially complied with the requirements of the various agreements and policies and procedures that govern DRPT-controlled funding. We did find 2 instances of noncompliance that are described in the section titled, “Compliance Findings and Recommendations.” A corrective action plan submitted by T&ES management that addresses these Compliance Review Findings is included in Appendix B of this report.

The Corrective Action Plan related to one of the findings from the third DRPT Compliance Review has not been adequately implemented. This relates to the issue of “Submitting Reimbursement Requests For The Same Project More Than Once Per Month”.

## **COMPLIANCE FINDINGS AND RECOMMENDATIONS**

### **Ineligible Expense Reimbursement**

*Finding:* T&ES had one instance where they submitted an invoice for reimbursement for an expense that occurred before the begin date of the project. The details are listed below:

DRPT Project – 47018-04  
Grant Period – 8/8/2017 – 12/31/2019  
Invoice Date – 1/25/2017  
DRPT Voucher Number - 2060608  
Reimbursement Request - \$2,040  
State Reimbursement Amount - \$408

*Recommendation:* T&ES must put procedures in place to ensure that this type of error does not reoccur. T&ES will be required to reimburse DRPT the \$408 of over reimbursement documented above.

### **Submitting Reimbursement Requests For Same Project More Than Once Per Month**

*Finding:* T&ES submitted reimbursement requests for the same projects: 47012-44, 47014-09, 47015-03, 47016-01, and 47018-06, more than once per month several times without written approval from their DRPT Project Manager.

*Recommendation:* T&ES must ensure that it only submits one reimbursement request per month for each project as is required by the Master Agreement. If on a rare occasion, T&ES feels it must submit more than one reimbursement request per month for a project, it must first get written approval from their DRPT Project Manager. Since this is a repeat finding from the third DRPT Compliance Review, the DPRT Project Manager for the City of Alexandria - Department of Transportation and Environmental Services (T&ES) will need to review and approve the Corrective Action Plan (CAP) related to this finding before T&ES submits the CAP to DRPT.

## APPENDIX A

### City of Alexandria - Department of Transportation & Environmental Services

#### Listing By Project of Payments Reviewed

Description	Project	Task	Fund	Total Payments
				Reviewed
FY2012 - FHWA - RSTP	47012	44	401/472	14,400.00
FY2014 - FHWA - RSTP	47014	9	401/472	185,846.00
FY2015 - FHWA - RSTP & CMAQ	47015	3	401/472	349,157.00
FY2016 - FHWA - RSTP & CMAQ	47016	1	401/472	202,966.00
FY2018 - FHWA - RSTP & CMAQ	47018	3	401/472	128,026.00
FY2018 - FHWA - RSTP	47018	4	401/472	344,615.00
FY2018 - FHWA - RSTP	47018	6	401/472	257,721.00
FY2016 - TDM Operating	71016	7	477	237,972.00
FY2017 - TDM Operating	71017	7	477	206,760.00
FY2018 - TDM Operating	71018	7	477	234,541.00
FY2019 - TDM Operating	71019	7	477	144,090.00
TOTAL				<u>\$ 2,306,094.00</u>

## **APPENDIX B**

### **City of Alexandria - Department of Transportation & Environmental Services Corrective Action Plan**

The City of Alexandria's Department of Transportation and Environmental Services would like to thank the SC&H Group and the DRPT team who conducted the Compliance Review of grant payments from July 1, 2015, and June 30, 2019. This response relates only to the findings and recommendations identified as a result of that review. Note: The "Recommendation" sections of this document are taken directly from the Draft DRPT Compliance Review Report, which refers to the Department of Transportation and Environmental Services (T&ES) as the responsible entity.

#### **Finding: Ineligible Expense Reimbursement**

Recommendation: T&ES must put procedures in place to ensure that this type of error does not reoccur. T&ES will be required to reimburse DRPT the \$408 of over reimbursement documented above.

Agree or Disagree: Agree

Planned Corrective Action: T&ES agrees with the repayment amount. Upon review, the Capital Bikeshare Communication invoice dated 1/25/2017 (\$59) was misapplied to DRPT Project # 47018-04. Staff should have submitted the invoice to DRPT Project # 47015-03, the previous Ridesharing and Transportation Demand Management grant, which expired on December 31, 2017, with a balance of \$15,965. This request was an error in processing due to two active grants, and the staff who submitted this reimbursement is no longer with the City. T&ES will forward the Compliance Review Report to our Finance Department to process a reimbursement to DRPT in the amount of \$408 and provide a memo of understanding to all T&ES grant staff to ensure expenses are requested against appropriate grants.

Responsible Persons: Tarrence Moorer, Division Chief, Strategic Management Services, T&ES; Corey Black, Fiscal Officer II, Strategic Management Services, T&ES. Planned Completion Date:

Repayment to be submitted by November 5, 2021; memorandum of understanding and revised reimbursement review procedure to be sent and updated by December 31, 2021.

#### **Finding: Submitting Reimbursement Requests For Same Project More Than Once Per Month**

Recommendation: T&ES must ensure that it only submits one reimbursement request per month for each project as is required by the Master Agreement. If on a rare occasion, T&ES feels it must submit more than one reimbursement request per month for a project, it must first get written approval from their DRPT Project Manager. Since this is a repeat finding from the third DRPT Compliance Review, the DPRT Project Manager for the City of Alexandria - Department of Transportation and Environmental Services (T&ES) will need to review and approve the Corrective Action Plan (CAP) related to this finding before T&ES submits the CAP to DRPT.

Agree or Disagree: Agree

Planned Corrective Action: T&ES observed that several reimbursements were submitted more than once per month. These findings are notated on previous review audits; however, this happened due to the creation of three (3) sub-accounts for Ridesharing Enhancements. As of Fiscal Year 2019, all City staff have been trained and aware of the reimbursement requests policy. T&ES will follow up to provide a memo of understanding to all T&ES grant staff to ensure that reimbursement requests are submitted no more than once per month. However, T&ES has moved to a quarterly basis for each grant.

Responsible Person: Thomas Hamed, Transportation Demand Management/Transportation Management Plan Coordinator, Mobility Services, Tarrence Moorer, Division Chief, Strategic Management Services, T&ES; T&ES; Paul Tobin, Fiscal Officer I, Strategic Management Services, T&ES. Planned Completion Date: November 30, 2021